



**STATE OF TENNESSEE  
DEPARTMENT OF FINANCE AND ADMINISTRATION  
STATE CAPITOL  
NASHVILLE, TENNESSEE 37243-0285  
DAVE GOETZ  
COMMISSIONER**

**FOR IMMEDIATE RELEASE  
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**October Revenues**

**Nashville** – On an accrual basis October is the third month in the 2003-2004 fiscal year. Department of Revenue tax collections were \$643.4 million.

October revenues were \$2.6 million less than the budgeted estimates, Finance and Administration Commissioner Dave Goetz announced today. The general fund had a \$5.6 million undercollection and the four other funds overcollected by \$3 million.

Sales tax collections were \$4.1 million more than the estimate in October. For three months revenues are overcollected by \$21.1 million

Franchise and excise tax collections were \$2.8 million, an undercollection of \$13 million for the month. The shortfall results from refunds given to firms for overpayments on calendar year 2002 taxes. For three months revenues are undercollected by \$20.3 million.

Gasoline taxes and motor vehicle registrations were \$2.6 million more than the budgeted estimate of \$86.4 million.

Year-to-date collections for three months are \$27.6 million more than the budgeted estimates. The general fund is overcollected by \$24 million and the four other funds are overcollected by \$3.6 million. The August and September reports understated motor vehicle registration fees allocated to the general fund and overstated the highway fund share by \$5.4 million. The error is corrected in this report.

The budgeted revenue estimates are based upon the State Funding Board's consensus recommendation adopted by the first session of the 103<sup>rd</sup> General Assembly in May of this year.

<p align="center"><b>REVENUE COLLECTIONS</b>  <b>OCTOBER, 2003, AND 3 MONTHS YEAR-TO-DATE</b></p>
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**October Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
General Fund	\$522,048,000	\$516,437,000	(\$5,611,000)
Highway Fund	50,372,000	52,195,000	1,823,000
Sinking Fund	18,579,000	18,614,000	35,000
City & County Fund	51,623,000	52,645,000	1,022,000
Earmarked Fund	3,393,000	3,559,000	166,000
<b>Total</b>	<b>\$646,015,000</b>	<b>\$643,450,000</b>	<b>(\$2,565,000)</b>

**Year-To-Date Collections:**

	<b>Budgeted Accrual Estimate</b>	<b>Actual</b>	<b>Difference</b>
General Fund	\$1,737,077,000	\$1,761,050,000	\$23,973,000
Highway Fund	155,255,000	155,221,000	(34,000)
Sinking Fund	55,623,000	55,819,000	196,000
City & County Fund	155,264,000	157,888,000	2,624,000
Earmarked Fund	8,172,000	9,054,000	882,000
<b>Total</b>	<b>\$2,111,391,000</b>	<b>\$2,139,032,000</b>	<b>\$27,641,000</b>

Table 1  
Tennessee Department of Revenue  
Comparative Statement of Collected Revenues

Class of Tax	October			
	2002	2003	Change	Percent
Franchise & Excise	(\$6,553,000)	\$2,777,000	\$9,330,000	142.38%
Income	997,000	2,015,000	1,018,000	102.11%
Inheritance & Estate	5,421,000	7,995,000	2,574,000	47.48%
Gasoline	56,178,000	52,101,000	-4,077,000	-7.26%
Petroleum Special	5,459,000	5,349,000	-110,000	-2.02%
Tobacco	9,407,000	9,781,000	374,000	3.98%
Beer	1,961,000	1,552,000	-409,000	-20.86%
Motor Vehicle Registration	17,196,000	17,106,000	-90,000	-0.52%
Motor Vehicle Title	1,071,000	952,000	-119,000	-11.11%
Mixed Drink	2,922,000	3,011,000	89,000	3.05%
Business	856,000	1,528,000	672,000	78.50%
Privilege	18,626,000	22,873,000	4,247,000	22.80%
Gross Receipts	111,000	77,000	-34,000	-30.63%
TVA - In Lieu of Tax Payments	16,407,000	16,756,000	349,000	2.13%
Alcoholic Beverage	2,496,000	2,780,000	284,000	11.38%
Sales and Use	452,548,000	482,342,000	29,794,000	6.58%
Motor Vehicle Fuel	14,898,000	14,364,000	-534,000	-3.58%
Severance	84,000	74,000	-10,000	-11.90%
Coin-operated Amusement	104,000	17,000	-87,000	-83.65%
<b>Total</b>	<b>\$600,189,000</b>	<b>\$643,450,000</b>	<b>\$43,261,000</b>	<b>7.21%</b>

Table 2  
Tennessee Department of Revenue  
Comparative Statement of Collected Revenues

Class of Tax	August - October			
	2002	2003	Change	Percent
Franchise & Excise	\$179,955,000	\$212,142,000	\$32,187,000	17.89%
Income	1,216,000	3,565,000	2,349,000	193.17%
Inheritance & Estate	25,361,000	30,314,000	4,953,000	19.53%
Gasoline	162,327,000	157,284,000	-5,043,000	-3.11%
Petroleum Special	16,052,000	15,989,000	-63,000	-0.39%
Tobacco	26,579,000	30,887,000	4,308,000	16.21%
Beer	4,549,000	4,664,000	115,000	2.53%
Motor Vehicle Registration	48,970,000	51,822,000	2,852,000	5.82%
Motor Vehicle Title	2,923,000	2,881,000	-42,000	-1.44%
Mixed Drink	9,168,000	9,605,000	437,000	4.77%
Business	1,398,000	4,288,000	2,890,000	206.72%
Privilege	47,904,000	61,938,000	14,034,000	29.30%
Gross Receipts	10,099,000	9,640,000	-459,000	-4.55%
TVA - In Lieu of Tax Payments	50,973,000	51,593,000	620,000	1.22%
Alcoholic Beverage	7,594,000	8,291,000	697,000	9.18%
Sales and Use	1,337,825,000	1,442,787,000	104,962,000	7.85%
Motor Vehicle Fuel	40,879,000	40,976,000	97,000	0.24%
Severance	259,000	274,000	15,000	5.79%
Coin-operated Amusement	336,000	92,000	-244,000	-72.62%
Total	\$1,974,367,000	\$2,139,032,000	\$164,665,000	8.34%

Table 3  
August - October Revenue Overcollections/(Undercollections)  
Budgeted Estimate

	General Fund	Other Funds	Total
Sales Tax	\$ 25,000,000	\$ 1,100,000	\$ 26,100,000
Income Tax	(100,000)	(100,000)	(200,000)
Inheritance Tax	12,300,000	0	12,300,000
Privilege Tax	9,900,000	900,000	10,800,000
Business Tax	(1,200,000)	0	(1,200,000)
TVA	100,000	100,000	200,000
Gross Receipts	(1,900,000)	0	(1,900,000)
Gasoline & Motor Vehicle Registration	0	1,500,000	1,500,000
Other Taxes	200,000	100,000	300,000
	<u>\$ 44,300,000</u>	<u>\$ 3,600,000</u>	<u>\$ 47,900,000</u>
F & E Taxes	(20,300,000)	0	(20,300,000)
	<u>\$ 24,000,000</u>	<u>\$ 3,600,000</u>	<u>\$ 27,600,000</u>